

VZCZCXRO2095  
OO RUEHCN RUEHGH  
DE RUEHIN #0482/01 0941109  
ZNY CCCCC ZZH  
O 031109Z APR 08  
FM AIT TAIPEI  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8630  
INFO RUEHBJ/AMEMBASSY BEIJING 8131  
RUEHUL/AMEMBASSY SEOUL 9503  
RUEHKO/AMEMBASSY TOKYO 9814  
RUEHCN/AMCONSUL CHENGDU 2596  
RUEHGZ/AMCONSUL GUANGZHOU 1158  
RUEHHK/AMCONSUL HONG KONG 9370  
RUEHGH/AMCONSUL SHANGHAI 1976  
RUEHSH/AMCONSUL SHENYANG 6565  
RUEAIIA/CIA WASHDC  
RHEFDIA/DIA WASHINGTON DC  
RHHJJAA/JICPAC HONOLULU HI  
RUEKJCS/SECDEF WASHINGTON DC  
RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000482

SIPDIS

SIPDIS

E.O. 12958: DECL: 04/03/2018

TAGS: [PGOV](#) [TW](#)

SUBJECT: FORMER PRESIDENTIAL OFFICE HEAD YEH CHU-LAN ON DPP  
LEADERSHIP POLITICS AND NEED FOR PARTY REFORM

Classified By: AIT Director Stephen M. Young,  
Reasons: 1.4 (b/d)

¶1. (C) Summary: DPP Central Standing Committee (CSC) member Yeh Chu-lan told the Director on April 2 that recent election defeats should not be blamed on a single person such as President Chen. Rather, those involved in party decision making at all levels should take responsibility. The DPP needs to honestly review the reasons for its losses and to make needed adjustments, including increased attention to the grassroots and bringing more young people into the party. Yeh expressed hope that party leaders will be able to agree on a preferred consensus candidate for the DPP chair election on May 18. End Summary.

¶2. (C) In a meeting with the Director on April 2, DPP Central Standing Committee (CSC) member Yeh Chu-lan discussed the challenges facing the DPP following its defeat in the March 22 presidential election. These challenges include selecting a new leader and adjusting the party program to regain support from voters. While in power over the past eight years, Yeh observed, the DPP has lost its close connection with people at the grassroots, both old and the young. Neglected by the DPP, the older people in remote areas still think that government means the KMT, which they credit for the DPP government's achievements. On the other hand, in the minds of young people, government means the DPP, which they blame for a host of problems, even the 1947 "228 incident," which was caused by the KMT government four decades before the founding of the DPP.

¶3. (C) The DPP's failings cannot be blamed on a single person, Yeh maintained. President Chen, Frank Hsieh and all central and local DPP leaders took part in party decisionmaking, so all of them share responsibility. The DPP needs to deal calmly with its problems, which include frequent changes in party rules and factionalism. Su Tseng-chang, Frank Hsieh, and Chen Shui-bian each has his own

SIPDIS

group of supporters. In addition, the New Tide is a highly organized and disciplined faction, which is especially noteworthy for having a program to recruit and train young political leaders.

14. (C) The DPP needs to reflect on why it lost, for example, in Kaohsiung City, Yeh suggested. The Kaohsiung people believe Hsieh did a good job, and public opinion polls show he is popular with the city's residents. Nonetheless, the people did not vote for him. Yeh credited the KMT with having devised a good overall campaign strategy that identified Hsieh with the DPP and the DPP with Chen Shui-bian, which enabled the KMT to succeed by focusing its attacks on Chen Shui-bian. Hsieh supporters were unable to persuade their friends to vote for him because they disliked the DPP. While Ma was more attractive, Hsieh had better ideas. However, people still voted for Ma out of dislike for the DPP and Chen Shui-bian.

15. (C) According to post-election internal DPP polling, Yeh noted, 80 percent of the electorate had already decided who they would vote for three months ahead of the election. At that time, she added, polls indicated 38 percent of the voters supported Hsieh. Subsequently, Hsieh was able to boost his support from the youth, who did not have fixed positions and could absorb new ideas. Successful DPP efforts to attract the youth, the "Reverse the Tide and Achieve Victory" movement, increased youth support for the DPP from 24 to 32 to over 40 percent. Members of other age groups, however, had a negative image of the DPP and so voted for Ma and the KMT.

16. (C) The DPP needs to face its problems calmly and honestly. The people were saying they were tired and disliked the DPP. According to marketing theory, products have a life cycle, Yeh observed. The DPP now needs to renew its life cycle, retaining the DPP brand name, but changing the content and packaging. In this process, the party needs to realize it is aiming at the same target group as before and is still competing with the KMT.

TAIPEI 00000482 002 OF 003

17. (C) Yeh noted that later in the day the DPP CSC would approve a motion to hold the party chair election on May 18, one week earlier than planned. This would enable the DPP to have a new leader in place when Ma Ying-jeou took office on May 20. Yeh suggested that Frank Hsieh, Su Tseng-chang, New Tide heavyweight Wu Nai-jen, and Chen Shui-bian would all play roles in behind-the-scenes maneuvering over identifying candidates for the chairman election. Yeh was confident Chen will not want to become party chairman again. Although acknowledging Chen might try to continue playing some role, Yeh predicted his influence in the party will be greatly reduced after he steps down.

18. (C) While a divisive election for DPP chairman would further reduce public support for the party, agreement on a consensus candidate would help the party's image, Yeh suggested. During April, the party will carry out a series of review meetings, which will include participation by non-DPP members. The DPP needs to have better communication with those pro-Taiwan scholars who originally supported but subsequently criticized the DPP. Also, the DPP needs to persuade more young people to join the party. Under current regulations, members need to have joined the party for one year before gaining voting rights. The rules should be changed to allow new members to participate in DPP decision making, which would offset the so-called "nominal members" beholden to bigwigs such as former CSC member Chen Sheng-hong. Although party procedures have repeatedly been revised to address problems piecemeal, there have not been any comprehensive reforms.

19. (C) The DPP needs good ideas and people, Yeh observed, and it needs to focus on its support base in the countryside and other local areas. Many members of the DPP elite stay at party headquarters, and they should return to the local base. Although the DPP currently has no money, it can solve this problem if it can give people hope and reform. The DPP needs to have a leader who is above factions. Although there

will have to be an election for chairman, it would be best if the party's various leaders could agree on a consensus candidate.

¶10. (C) It took the DPP 14 years from founding until it replaced the KMT as the ruling party in 2000. The DPP now will have to step down after just 8 years in power. Although the DPP would like to win back the presidency in four years, eight years is a more realistic target. The KMT has worse factional problems than the DPP, and it is not clear whether Ma will be able to control the KMT. Ma has rivalries with Honorary Chairman Lien Chan and Legislative Yuan speaker Wang Jin-pyng, and the people around Ma are not close to others in the KMT. In addition, there will also be a competition for spoils.

¶11. (C) Yeh refuted recent allegations by former DPP Chairman Shih Ming-te that she and some other members of Hsieh's campaign team had agreed to ask President Chen to step down in return for Shih's endorsement of Hsieh in the presidential campaign. Yeh noted that Shih's wife had contacted her through a third party, saying Shih was concerned about Hsieh and might be willing to help the campaign. Yeh went to Shih's home together with Tainan County Magistrate Su Huan-chih. Shih had much to say, and Yeh and Su did not try to argue with him but they also did not agree with him, as Shih later claimed. Yeh said she had not told Hsieh or President Chen about Shih's proposal. Several days before Shih's claims came out, Yeh said, she had orally resigned her position as Presidential Office Secretary General on March 22, to take responsibility for the presidential election defeat.

Comment

-----

¶12. (C) As Yeh makes clear, the DPP needs thoroughgoing reform both to solve its own internal problems and to regain voter confidence for future electoral battle with the KMT. Many DPP internal debates take place in public, and the media is now filled with reports of groups and individuals

TAIPEI 00000482 003 OF 003

submitting their reform proposals to party headquarters prior to the conferences and party congress that will be held in the coming weeks. The magnitude of the DPP's recent election defeats and the shift from ruling to opposition party on May 20 will help the reform cause, which has stalled repeatedly in recent years.  
YOUNG